



## UNITED STATES DEPARTMENT OF EDUCATION

### Federal Student Aid

**TO:** Secretary Rod Paige  
U.S. Secretary of Education

**FROM:** Terri Shaw  
Chief Operating Officer

**RE:** FSA Weekly Report

**DATE:** December 8, 2003

### **THE WEEK AHEAD**

**Identity Theft:** FSA is working with OPA and OIG to warn students and parents about the increasing threat of Identity Theft. In coordination with your office, we have scheduled an event at Howard University on December 11 to introduce some of the tools the students can use to combat this growing problem.

**Counselors and Mentors Videoconference:** On December 12, FSA will host the Counselors and Mentors Videoconference in Washington, DC. High school counselors, mentors, TRIO staff and financial aid representatives from across the country will participate in this forum designed to review FSA programs and services.

### **FSA IN THE FIELD**

**The 2003 Electronic Access Conferences:** From December 1-5, FSA hosted almost 2,000 financial aid professionals in New Orleans, LA for the second of two Electronic Access Conferences (EAC). The conferences provided attendees with training and updates on Title IV programs. Earlier this month, FSA hosted over 1,800 financial aid professionals at the first EAC in San Diego, CA.

**Colorado Community College System:** On December 4, FSA presented a Federal Update to the financial aid directors of the Colorado Community College System.

**Students.gov Website Usage:** For the week ending November 23, students.gov recorded 36,766 visits representing 814,000 hits. In November 2003, students.gov recorded 190,025 visitors representing approximately 4.4 million hits, a 198% increase in usage over last November. Based on current usage levels, FSA projects 2003 calendar year site traffic to increase 300% over the 2002 calendar year.

## **OPERATIONAL METRICS**

**Application Activities through November 30, 2003:** The Central Processing System (CPS) has processed 11.7 million applications for the 2003-2004 cycle, a 7.8% increase over the 2002-2003 cycle.

**Program Disbursements:** Through the week ending November 22, annual Pell and Direct Loan disbursements reached \$11.6 billion and \$11.4 billion respectively for the 2002-2003 academic year and \$5.3 billion and \$5.0 billion respectively for the 2003-2004 academic year. Through the week ending December 1, annual FFEL disbursements reached \$28.6 billion for the 2002-2003 academic year and \$11.1 billion for the 2003-2004 academic year. Through October, annual Direct Consolidation Loan disbursements reached \$685 million.

**Total Default Recoveries:** Through November 28, total FSA default recoveries for FY04 reached \$225.8 million, up 22% year to date. Total non-consolidation recoveries reached \$190 million, up 33% year to date. Combined Recoveries from our private collection agency efforts reached \$183 million, up 16% year to date.

**1-800-4-FED-AID through November 29, 2003:** Year to date, the Federal Student Aid Information Center (FSAIC) has received 7.8 million calls, a 0.3% decrease over last year. Service levels have increased with 99.0% of calls completed, a 2.7% increase over last year and the average speed to answer reduced by 64.7% over last year to 8 seconds.

## **KEY ISSUES**

**New Electronic Loan Verification and Certification (EVC):** FSA is developing an electronic loan verification and certification (EVC) process to replace the existing paper process. The benefits of the EVC include reduced mailing costs, reduced turnaround time, elimination of keyboard data entry, and elimination of errors inherent in manual processes. The guaranty agency, Pennsylvania Higher Education Assistance Agency (PHEAA), implemented and is testing the functionality as part of a pilot program. FSA's FY 2004 goal is to have the 25 lenders participating in the EVC process.

**Sallie Mae Monthly Payment Error:** FSA continues to assess the impact of Sallie Mae's recent disclosure that a Sallie Mae system problem caused over 1 million borrowers to make inaccurate monthly payments. FSA, OPE and OGC are reviewing policy implications and options for resolution.

## **ON THE HORIZON**

**California Community College Student Financial Aid Administrators Association (CCCSFAAA):** On December 12-14, FSA will present at the CCCSFAAA Annual Conference.

**California Association of Student Financial Aid Administrators (CASFAA):** On December 14-16, FSA will present at the CASFAA Annual Conference.

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**Coalition of African American Professional and Community Organizations:** On February 13, 2004, FSA representatives will present to the Coalition of African American Professional and Community Organizations at the 4<sup>th</sup> Annual Career Expo and College Fair.

**CONTACT INFORMATION**

Please contact Chris Greene at 377-4003 with any questions.